



Congressional China Caucus

U.S. House of Representatives
Congressman J. Randy Forbes, Founder & Co-Chairman
Congressman Ike Skelton, Co-Chairman
www.house.gov/forbes

ISSUE BRIEF

IN FOCUS THIS WEEK:
July 27, 2005

DoD Releases its Annual Report to Congress on the Military Power of the People's Republic of China July 19, 2005

"Questions remain about China's future and the choices Chinese Communist Party (CCP) leaders will make as China becomes a more powerful and influential regional and global actor."

Highlights

- China's leaders continue to guard closely basic information on the quantity and quality of the Chinese armed forces
- The Chinese People's Liberation Army (PLA) is placing greater emphasis on the mobilization of the economy to support national defense
- China does not now face a direct threat from another nation, yet it continues to invest heavily in its military
- The PLA is modernizing its forces, with an emphasis on preparations to fight and win short-duration, high-intensity conflicts along China's periphery
- China appears to be focused on preventing Taiwan independence and countering third-party intervention in a cross-Strait crisis
- The PLA is acquiring new foreign and domestic weapon systems and military technologies, developing a new doctrine for modern warfare, and improving exercise and training standards
- China closely observes foreign military campaigns and defense modernization initiatives as a model for their own initiatives and to identify potential exploitable vulnerabilities
- As China's economy grows, its desire for markets and natural resources will influence China's strategic behavior
- China's space launch vehicle industry is expanding to support the national emphasis on satellite launch capability and the manned space program
- The PLA has likely established information warfare units to develop viruses to attack enemy computer systems and networks
- Other countries may underestimate the extent to which Chinese forces have improved and China's leaders may overestimate the readiness and capabilities of their forces

For a copy of the full report, please visit:
<http://www.defenselink.mil/news/Jul2005/d20050719china.pdf>

DID YOU KNOW?

China had a trade surplus with the U.S. of \$162 billion in 2004. (CRS)

China's defense budget has risen on average by 15% over the past 5 years from \$15 billion in 2001 to \$30 billion in 2005. The U.S. intelligence community estimates that these figures represent between one-third and one-half of actual Chinese military expenditures. (Jane's Defence Weekly)

China has the largest military in the world: its active force will total approximately 2.3 million personnel after downsizing in 2005. (2005 DoD Annual Report on PRC Military)

IN THE NEWS

The Washington Times
Editorials/Op Ed
The Chinese Military Threat
July 23, 2005

Congress Daily
The Elephant in the Living Room
George C. Wilson
June 13, 2005

RECOMMENDED READING

China, Inc.
*How the Rise of the Next Superpower
Challenges America and the World*
by Ted C. Fishman





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CONGRESSIONAL ISSUE BRIEF
JULY 27, 2005

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Congressman Frank Wolf (R-VA)

CHINA CAUCUS EVENTS

June 14, 2005 Caucus Kick-Off featuring Ted Fishman,
 Author of China, Inc.

July 20, 2005 Caucus Organizational Meeting

July 26, 2005 Department of Defense Briefing on the 2005
 Report on the PRC's Military Power

Sept. 7, 2005 Joint China Caucus/Shipbuilding
 Caucus Briefing on Chinese military and
 commercial shipbuilding

ABOUT THE CAUCUS

The Congressional China Caucus is a bipartisan forum for Members of Congress who share a common interest in the emergence of China as a political, economic and military actor on both the regional and global stage. The Caucus will take a critical look at a number of issues including: Military, Economy/Trade, Intellectual Property, Energy/Resources, and Human Rights/Religious Freedom.

To join the Caucus, please contact Jamie Jones Miller at 5-6365 or jamie.miller@mail.house.gov.